

November 2020

Xerox Limited S172 Companies Act 2006 statement

The directors have considered their duty under section 172 of the Companies Act 2006 to act in good faith and to promote the success of the Company for the benefit of its shareholders as a whole. In particular the directors have had regard to:

- likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Company.

As a subsidiary trading entity we recognise that business strategy and the majority of decisions and policies affecting the Company and our stakeholder groups are made at Xerox Corporation level and cascaded through the management structures of the Group. Directors of the Company implement these decisions and policies whilst ensuring that they continue to promote the success of the Company. The board is represented in the Xerox Group's management and decision-making processes through membership of both the Executive Committee and the senior leadership team. This ensures that the board is actively involved in maintaining control of the Company's direction.

Significant events for the Company during the year, which were also principal decisions, included the sale of its investment in Fuji Xerox Co. Limited and the subsequent payment of the proceeds as a dividend. This occurred following Xerox Group's decision to reset its relationship with Fujifilm, thereby unlocking significant unrealised value for shareholders, enabling more flexibility in the supply chain and providing clarity for customers. The board consulted with the parent and considered the long-term consequences to the Company before approving this distribution. The triennial review of the Xerox Final Salary Pension Scheme also commenced in the year with close involvement of the Directors along with the trustees. The aim of this process is to review the financial position of the Scheme relative to its statutory funding objective and to determine the appropriate level of future contributions. Directors must consider and balance the consequences to the Company, to its employees and to its pensioners when agreeing future pension scheme funding levels. Several joint meetings have already taken place and the review is ongoing.

Registered Office: Xerox Limited, Building 4, Uxbridge Business Park, Sanderson Road, Uxbridge, UB81DH.

Registered in England No. 575914.

Engagement with our stakeholder groups is important for the business. Our stakeholders include our customers, suppliers, employees, and pensioners.

Customers – the Company’s sales are made mainly to subsidiaries/related parties and to our distributor partners. The board maintains close relationships with both of these groups through our internal management structures and the distributor account teams. These interactions directly influence the Company’s decision-making in respect of demand planning and product ordering.

Suppliers – we recognise an obligation to actively manage our global supplier base and ensure these critical partners meet our high social, environmental, and ethical standards. As a member of the Responsible Business Alliance (RBA), Xerox uses the RBA Code of Conduct as our supplier code of conduct and Xerox global procurement and corporate security organizations screen all production suppliers and significant indirect suppliers to assess compliance with global anti-bribery laws and regulations including UK Modern Slavery Act and UK Bribery Act.

Employees – the board values the input and contribution of employees. Directors attend events throughout the year including the Xerox European forum, communication meetings and other round table discussions as part of a two-way exchange of information and ideas.

Pensioners - board members are closely involved in overseeing the Xerox Final Salary pension scheme. This includes regular attendance at meetings with pension scheme trustees, scheme actuaries and advisors ensuring efficient running of the scheme for the benefit of pensioners, deferred pensioners, active members and the Company.

Environment – Xerox is committed to reducing its environmental footprint, conserving natural resources and lowering the energy intensity of our operations. The Company is aligned with these initiatives and goals.

Information regarding Xerox Group’s stakeholder engagement may also be found in the 2019 Corporate Social Responsibility Report [www.xerox.com/en-us/about/corporate-social-responsibility].